P 16

G. R. S. 59] GPB—15,000—20-12-13

GENERAL AND REVENUE SECRETARIAT.

1913-14
(Genl: Misc:)

Preserve
VC

File No. 67-13.

Serial Nos. 37

Papers Filed.

Month Aug: 13.

SUBJECT.

Application of the [Agent, Mysore Economic Union for the lease of the right of Collecting the fruit of the Dhupa trees in the State.

PREVIOUS REFERENCES.	LATER REFERENCES.

Kanjarodj.
29.8.13

(1.

GENERAL AND REVENUE SECRETARIAT.

( )

NOTES.

G. R. File No. 67 of

FILE HEADING.

Industries and Commerce.

From

Messrs. Narayen & Co, managing Agents of the Mysore Economic Union, New Tirthagupe Bangalore Cit

No. Letter Dated 20/8/13 Received

Diary No. 1294	Enclos.	Spare Copies.	Serial No. 37

BRIEF ABSTRACT OF LETTER.

State that the Company has been started with the express purpose of establishing soap, Candle, glycerine and Stearine works by utilising the wild oil seeds available in the State such as Dhupe, Hippe &c and request the grant of certain Concessions to enable them to collect the said seeds & begin work.

NOTES AND ORDERS.

1. may this be sent to the Secretary &c. Coffee for being placed before the Industries and Commerce Committee for consideration and formulating definite proposals ?

25/8/13 Secretary.

25.8.13.

NOTES—First Sheet.

GPB—35,000—15-6-12

Serial No.

2. Before doing so please send to Bot I Ps a draft of proposed method of dispatching such produce for a note, & for getting the opinion of the Govt of Ps unofficially

I Ps).

C873
25/8/13

Lbod.

3. The concession asked are in connection with the Olupa fruit 2) Dype & (3) other wild oil seeds.

4. As regards (1) the Olupa - A lease for 5 years ending with June 1914, for the collection of all Olupa fruits in the Shimoga Dist, has been given to Messrs James Short & Madan & Merwanji Cursetjee of Bombay. In the meanwhile the Eastern Development Syndicate - a huge enterprise covering several branches of Industry throughout India - has Olupa and Mr Rosher applied for a 30 years lease of this fruit. The Govt has been asked to investigate into the possibilities of this fruit & report before the expiry of the Current Contract. The Eastern Syndicate, now - Development & Corporation, is the same

Ps 12-6-12
Limited
here with

NOTE—Contn. sheet.

G. R. S. 12]

General and Revenue Secretariat.

File No. 67 of 191 8

Serial No.

Corporation which has obtained the 30 years lease in Madras, referred to in para 3(1) of the letter under disposal

2) Rope (olive) is sold along with other minor forest produce in several lots.

3) Several other oil seeds such as wild castor, Pongamia & are also included in these sales.

Nos 2 & 3 are not sold individually but only along with other produce it is difficult to say what the actual realizations are from these products.

Lt SKR
22/8/13 5. Forwarded unofficially to the Conservator of Forests in Mysore for favour of opinion on the concessions asked for by the applicant.

By order.
Marshall
Secretary.

28/8/13.

3) The question of leasing out Pongam seeds will be dealt with by me in a separate report for which statistics are being collected.

4) The fruits of the following trees yield oil:—

R. Mss 55-16

R. O. R. 30 / 30.8.13.

L. R. No 19 dated 16-12-13

18/12/13

NOTE—Contn. sheet.

GPB—65,000—17-6-12.

Serial No.

Honge, Hippe, Gerua, Beeru, Kadharaka - oil is also extracted from the grains of Kachi grass. It is possible to develop a good industry in the latter.

(8) I have no information as to the quantity of seeds available as the crop is included in the Minor Forest Produce. The separate keeping of the oil and crop of each kind of Hippe will cause a good deal of friction between the villagers & lessees. I am not therefore prepared to agree to it. Put to the petitioners.

16.12.13

Rec'd 19.12.13

(9) Submd

19.12.13

20/12

Secy

(10) We may await the report in regard to Dhupa & then place the matter before the J.C. Committee.

(11) Except in regard to State Forests it is impracticable to give to any person a monopoly of minor produce like Hippe, Gerua &c, as such a course will lead to frequent friction with the villagers, who now collect such products on a small scale locally.

2nd Cr

Concl. Secy

(12)

31/12

25/12/13

27/12

2/1/14

NOTE—Contn. sheet.

GPB—65,000—17-6-12

G.R.S. 13]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

(13) The accompanying file G. M. 67 of 1913 may be returned to Branch V as orders re the lease of the fruit of Bulpa trees were issued in G.O. 210:

R 9314-27 / 7+124-12-6 dt 2.6.14

(Copy kept in the file)

1276

Yes, may be retd as this is a simple sent to Br I for his opinion. 2/7

4/7/14 V

The G.O. put-up by the Revenue Branch disposing of the paper under disposal in this file.

Subd for perusal

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—10,000—10-6-14

Managing Agents
Narayan & Co.

THE MYSORE ECONOMIC UNION, LIMITED.
7, New Tharagupet, Bangalore City.
20th August 1913.

DIARY NO. 1274

1913-1914
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To

The Secretary to the Government of Mysore,
Departments of Agriculture, Education and
Industries & Commerce, BANGALORE.

Sir,

We beg to inform you that the above company has been started with the express purpose of establishing soap, candle, glycerine and stearine works. The Managing Agents of this Company, Messrs. Narayan & Co. have considerable experience in this line as they have pioneered very successfully a similar concern in Billimoria, Baroda State, and this company has, therefore, every guarantee of being worked most profitably. The primary object of the company is to utilise the wild oil seeds available in the State such as dhupe, pinge etc. The collection of these seeds has not yet been attempted systematically as it is attended by the following difficulties: These trees are scattered over wide areas in the hilly regions of the forests where labour is very scarce. The season for the dhupe fruit falls in the monsoon months when all the available labour--it is not much--is engaged in agricultural operations. It would take a considerably long period and large investment of capital to ~~raise~~ reach the trees situated in the thick of forests and collect the fruit in the heavy rains and guard it against the danger of sprouting which considerably reduces the oil value of the seeds, and to preserve the kernels against mildew and moulding and also to find means of transport through hills and thick forests

The collection of the fruit under such discouraging circumstances can only be undertaken by a firm which can organise a network of agencies throughout the State which, of course, entails considerable labour and expense.

A consideration

3 A consideration of the above facts will not fail to convince you that no firm can undertake to risk so much capital and labour without being assured of a long lease. We, therefore, beg that the Government may be pleased to grant the following concessions for a genuine indigenous concern, the first of its kind in Mysore, proposing to utilize the hitherto wasted raw materials on the spot:--

(1) A thirty-year lease to collect exclusively throughout the State all the dhupe fruit on payment of one anna for each fruit-bearing tree per annum, on the same basis as the lease granted by the Madras Government in South Canara to a Foreign Syndicate which exploits this dhupe fruit for European markets.

(2) A thirty-year lease to collect exclusively all the Ippe fruit in the State on payment of one hundred rupees per annum. The collection of this fruit also has not yet been attempted.

(3) The first refusal of a lease with regard to any other wild oilseeds available in Mysore which may be found useful for candle and soap industries.

(4) A convenient site, water facilities, electric power and fuel for the factory which will be applied for in due course.

(5) The above concessions may be granted to us on condition that we should utilise the oils on the spot in the course of three or four years as it would take that much time to make arrangements for the collection of this seed on a sufficiently large scale for the regular working of the factory and also to put up the necessary stearine and other plant.

We are confident that the above reasonable concessions applied for will be readily granted by the Government, especially to a local company which seeks to establish a new

important

important chemical industry with immense possibilities. We may be permitted to add that such new enterprises are helped substantially even by grants and subsidies by all governments interestedxin in order to promote the economic welfare of the people. For instance, the Government of Travancore have given most valuable concessions for a match factory in their State by an outside company.

We, therefore, hope that the Government of His Highness the Maharaja of Mysore would be pleased to grant the above concessions at an early date in order to enable us to raise the necessary capital with the least possible delay.

Thanking you in anticipation,

We beg to remain,

Sir,

Your most obedient servants,

Narayan & Co

MANAGING AGENTS.

Proceedings of the Government of His Highness the Maharaja of Mysore,

READ—

The following papers relating to the grant of a lease of the fruit of the Dhupa trees growing in the State:—

1. Communications from Mr. H. Pilkington, on behalf of the Eastern Development Corporation, Limited, (Ismail Buildings, Hornby Road, Bombay) ending with that dated the 14th March 1914, praying for the grant of the lease under certain conditions.

2. Application dated the 20th August 1913, from Messrs. Narayan & Company, on behalf of the Mysore Economic Union (7, New Tharagupet, Bangalore City,) for the grant of the lease under certain conditions.

3. Correspondence ending with letter No. 273—137, dated the 7th March 1913, from the Deputy Commissioner, Shimoga District, in the matter.

4. Letter No. 7216, dated the 13th January 1914, from the Conservator of Forests in Mysore, expressing his views in the matter.

No. R. 9314-27—FT. 124-12-16, DATED BANGALORE, 2ND JUNE 1914.

ORDER THEREON.—After considering the two applications referred to above, the Government of His Highness the Maharaja of Mysore, are pleased to offer to the Mysore Economic Union a lease of the right of collecting the fruit of the tree, *Vateria Indica*, commonly known as Dhupa, growing in the State and District Forests and lands at the disposal of Government within the Mysore State, on the following terms:—

1. The rent due to Government in return for the lease will be calculated at the rate of an anna and a half, per year, for every tree growing and will be payable in two instalments in September and March every year. The Conservator of Forests in Mysore should make arrangements to have the trees enumerated area by area and the number of trees and amount of rent payable duly entered in the lease.

2. The lease will be limited to a period of five years, but will be subject to extension for a further period of five years, on the same terms, if the company has collected a sufficient ~~quality~~ of the produce and started stearine, candle and soap works within the Mysore State before the expiry of the first period of five years. At the end of ten years Government will have discretion to raise the rent to any amount considered reasonable but not so as to injure the enterprise and may renew the lease for such term and on such further conditions as may be considered proper.

3. The grant of the lease will be subject to the company depositing with Government a sum of Rs. 3,000 as a guarantee of its good faith in starting, within the limits of the State, a factory within three years and working it diligently. In the event of the company failing to so start the factory within that period and work it diligently the amount deposited will be liable to be forfeited and the lease cancelled.

4. Government should not be asked for any other kind of help such as, the free grant of site for the factory or any other concessions.

5. It should be made clear in the prospectus that in granting the lease, Government do not convey any assurance about the success of the enterprise.

6. The company, its agents and servants should conform to all rules and orders made under the law for the time being in force, for the exploitation and removal of the produce and to such other conditions (to be indicated by the Conservator of Forests) as may be necessary for ensuring protection to forests and forest growth from fires, etc.

7. In case of non-payment of the rent due or non-compliance with any of the other conditions of the lease, the Government will be at liberty to cancel the lease. All sums due under the lease will be recoverable as an arrear of land revenue.

Revenue (Forest), dated 2nd June 1914.

The Conservator of Forests in Mysore is requested to intimate these terms to the Mysore Economic Union and ascertain if the company is willing to accept the lease on these conditions and, if so, to have a draft of an agreement between himself and the Economic Union drawn up in consultation with the Government Advocate, and submitted to Government for approval.

D. M. NARASINGA RAO,
Offg. Secy. to Govt., Gen. & Rev. Depts.

To—The Conservator of Forests in Mysore.
The Comptroller, Mysore Government.
The Revenue Commissioner in Mysore.
The Director of Industries and Commerce.
The Secretary, Economic Conference.
The Deputy Commissioners of Districts.
Mr. V. V. Narayan, Mysore Economic Union, Ltd., Bangalore.

Exd.—C. R.